

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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BRYCE YOKOMIZO
Director



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Fifth District

March 16, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**RECOMMENDATION TO AUTHORIZE THE EXECUTION OF
MODIFICATION NOTICE NUMBER SEVEN TO THE LEADER INFORMATION
TECHNOLOGY AGREEMENT WITH UNISYS CORPORATION TO SUPPORT THE
LEADER SYSTEM AT ADDITIONAL AND EXPANDED LOCAL OFFICE SITES
(ALL DISTRICTS – 3 VOTES)**

**JOINT RECOMMENDATION WITH THE CHIEF INFORMATION OFFICER THAT
YOUR BOARD:**

Approve and instruct the Chair to authorize the Director, Department of Public Social Services (DPSS), to sign the attached Modification Notice Number Seven to County Agreement Number 68587 with Unisys Corporation to increase the Total Maximum Contract Sum by \$239,635, to: (a) purchase additional telecommunications hardware, software, and services to support the LEADER System at an expanded local office site (DPSS Academy); (b) to purchase additional telecommunications hardware, software, and services to establish an additional local office site (El Monte North Tower); and (c) amend certain schedules of the LEADER Agreement to conform to a recent update and correction.

The execution of the Modification Notice will increase the Total Maximum Contract Sum from \$196,375,475 to \$196,615,110. The additional \$239,635 will be subvented by State and federal revenue in the estimated amount of \$215,828. The Net County Cost (NCC) is estimated at \$23,807 and is included in FY 2003-04 Final Adopted Budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to modify the LEADER Agreement to increase the Total Maximum Contract Sum to: (a) purchase additional telecommunications hardware, software, and services to support an additional 240 workstations for training new and existing staff at the DPSS Academy; (b) purchase additional telecommunications hardware, software, and services to establish an additional local office site (El Monte North Tower) at 3400 Aerojet, El Monte; and (c) amend certain schedules of the LEADER Agreement to conform to a recent update and correction.

DPSS Academy Expansion

Expansion of the technology at the DPSS Academy will support an additional 240 workstations for training of new and existing staff. The 240 workstations are owned by the County and are currently available within DPSS. They are not part of the 11,120 workstations provided by Unisys as required by the LEADER Agreement. Unisys has evaluated and tested the proposed workstations, and has determined that such workstations are compatible with the LEADER System and shall be part of the LEADER System. The County, however, will provide for maintenance and repair of such workstations. No payment was made to Unisys for such evaluation and testing. The County has completed all site preparation work for these workstations.

El Monte North Tower

DPSS will establish an additional LEADER local office site (El Monte North Tower) at 3400 Aerojet, El Monte. This site will require telecommunications hardware, software, and services to support 60 LEADER System workstations and 9 LEADER System printers currently used by the Medi-Cal staff, who will be relocated from 17171 E. Gale Avenue, City of Industry. No additional LEADER System workstations or printers are to be purchased for this additional site.

Update and Correction of Certain Schedules

Schedule C-1 (Additional Local Office Sites) of Exhibit F (LEADER System Hardware/Software) and Schedule E (Local Office Hardware/Software Utilization Fixed Rate Price), Schedule F (Optional Years 1 and 2 Local Office Hardware/Software Utilization Fixed Rate Price), Schedule L (Local Office Telecommunications Hardware/Software/Services Fixed Monthly Rate Prices for Additional and Expanded Local Office Sites During the Initial Term), and Schedule P (Telecommunications Hardware/Software/Services One-Time Fixed Unit Prices and Fixed Monthly Rates for

Additional and Expanded Local Office Sites During the Initial Term) of Exhibit G (Schedule of Payments) were amended to conform with a recent update and correction mutually agreed to by DPSS and Unisys. These updates and corrections do not increase the Total Maximum Contract Sum.

Unisys' Warranty

Unisys will warrant all telecommunications hardware, software and services through the Initial Term of the LEADER Agreement. Payment to Unisys for the telecommunications hardware, software and services will be made upon acceptable completion of work.

Implementation of Strategic Plan Goals

Modification Notice Number Seven is consistent with the principles of County Strategic Plan Goal #1: Service Excellence for improving quality of service and organizational effectiveness. In addition, Modification Notice Number Seven is consistent with DPSS' objectives for increasing the efficiency and effectiveness of departmental programs through expanded information technology and communications.

Expansion of the LEADER System is part of the DPSS Business Automation Plan.

FISCAL IMPACT/FINANCING

Modification Notice Number Seven increases the current Total Maximum Contract Sum of the LEADER Agreement from \$196,375,475 to \$196,615,110. The attached Summary of Costs contains the telecommunications hardware, software and services detail to expand a local office site (DPSS Academy) and add a new local office site (El Monte North Tower).

The additional \$239,635 will be subvented by State and federal revenue in the estimated amount of \$215,828. The NCC is estimated at \$23,807 and is included in FY 2003-04 Final Adopted Budget.

Unisys' labor costs for the de-installation and reinstallation of the 60 workstations and nine printers for the El Monte North Tower are not included in the Total Maximum Contract Sum. However, this work is covered by the hourly rate for equipment moves specified in the LEADER Agreement.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On December 21, 1998, your Board approved Amendment Number Three that included a provision to increase by Modification Notice the Total Maximum Contract Sum not to exceed \$1.5 million with prior approval of County's Board of Supervisors.

On August 14, 2001, your Board approved Modification Notice Number Four to the LEADER Agreement that reduced the \$1.5 million by \$514,287, leaving a balance of \$985,713. On November 12, 2002, your Board approved Modification Notice Number Six that reduced the \$1.5 million by \$314,129, leaving a balance of \$671,584. Execution of Modification Notice Number Seven will further reduce this amount by \$239,635 leaving a net balance of \$431,949 of the \$1.5 million.

This Modification Notice was reviewed and approved as to form by County Counsel. As with the existing LEADER Agreement and its previous amendments and modification notices, outside counsel, Mitchell, Silberberg & Knupp LLP, also reviewed and commented on the Modification Notice Number Seven in accordance with your Board's policy regarding technology contracts.

On August 19, 2003, the California Health and Human Services Agency Data Center approved Modification Notice Number Seven. Federal approval is not required. Upon your Board's approval, the Director will sign the attached Modification Notice Number Seven to the LEADER Agreement. Unisys will not be asked to perform work that will exceed the approved contract amount and scope of work.

This is not a Prop A contract and accordingly is exempt from the requirements of the Living Wage Ordinance.

CONTRACTING PROCESS

Unisys was selected via a competitive solicitation. On September 12, 1995, your Board awarded a 7.5-year contract (with the option for two additional years) to Unisys to provide an automated welfare system within 42 months and to operate the system for an additional 48 months. Amendment Number Three and Amendment Number Four approved by your Board extended the 7.5-year contract term by two years to April 30, 2005, making the Initial Term of the Agreement 9 years and 6 months.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The execution of Modification Notice Number Seven augments the LEADER System by accommodating both the user and participant population with the establishment of the additional local office site (El Monte North Tower) and the expansion of the DPSS Academy. In addition, expansion of the DPSS Academy is an integral part of the County's Food Stamp error reduction effort.

CONCLUSION

Upon your Board's approval, the Executive Officer, Board of Supervisors, is requested to return one (1) adopt stamped Board Letter to the Department of Public Social Services.

Respectfully submitted,



BRYCE YOKOMIZO
Director



JON W. FULLINWIDER
Chief Information Officer

BY/JWF:pcr

Attachment

c: Executive Officer, Board of Supervisors
 Chief Administrative Officer
 County Counsel
 Auditor-Controller

Summary of Costs

ATTACHMENT

Telecommunications Hardware/Software/Services One-Time Fixed Unit Prices and Fixed Monthly Rates for Additional and Expanded Local Office Sites
During the Initial Term

DPSS Academy (Expanded Local Office Site)

Item #	Item Description	Quantity	One-Time Fixed Unit Price	Months	Maximum Total Price
129*	Class E Server	1.00	11,089.00	N/A	11,089.00
130*	Cisco 4500 Switch	1.00	53,439.75	N/A	53,439.75
131*	Cisco 48-Port Switch	1.00	3,910.65	N/A	3,910.65
132*	Custom Cable (Cables)	N/A	1,890.00	N/A	1,890.00
133	Sales Tax (8.25%)		3,411.34	N/A	3,411.34
134	Transportation & Procurement	1.00	3,101.22	N/A	3,101.22
	Subtotal Telecommunications				\$76,841.96
			Fixed Monthly Rate		
135**	Network Communication Center Cisco 4500 Switch	1.00		13	
	Subtotal Network Communication Center (to be billed monthly in arrears)				\$0.00
	Total for DPSS Academy				\$76,841.96

El Monte North Tower (Additional Local Office Site)

Item #	Item Description	Hours	One-Time Fixed Unit Price	Months	Maximum Total Price
136	Project Manager	2.00	109.41	N/A	218.82
137	Telecom Specialist	16.00	78.29	N/A	1,252.64
138	Asst. Telecom Specialist	4.00	77.19	N/A	308.76
139	Implementation Manager	20.00	97.41	N/A	1,948.20
140	Business Analyst	8.00	78.60	N/A	628.80
141	Customer Service Engineer -Install Server/telecom	16.00	145.00	N/A	2,320.00
	Subtotal Unisys Labor	143.50			\$6,677.22
		Quantity			
142***	T1 Install	1.00	679.02	N/A	
143***	ISDN Install	1.00	195.25	N/A	
144*	Upgrade Hardware for Existing Cisco 2610 Router	1.00	1,479.00	N/A	1,479.00
145*	Cisco 6506 Switch MDF	1.00	87,999.46	N/A	87,999.46
146*	Cisco 4500 Switches IDF	1.00	35,626.50	N/A	35,626.50
147*	Custom Cable (Cables)	1.00	3,144.00	N/A	3,144.00
148*	Server B	1.00	15,451.00	N/A	15,451.00
149	Sales Tax (8.25%)	N/A	6,503.54	N/A	6,503.54
150	Transportation & Procurement	1.00	5,912.31	N/A	5,912.31
	Subtotal Telecommunications				\$156,115.81
			Fixed Monthly Rate		
151***	ISDN Monthly	1.00		13	
152***	T1 Monthly	1.00		13	
	Subtotal Data Line Charges (to be billed monthly in arrears)				\$0.00
153**	Network Communication Center Cisco 6506 Switch	1.00		13	
154**	Network Communication Center Cisco 4500 Switch	1.00		13	
	Subtotal Network Communication Center (to be billed monthly in arrears)				\$0.00
	Total for El Monte North Tower				\$162,793.03

* Includes all embedded and/or related software, and maintenance and warranty through the Initial Term

** This item will be paid through Schedule L (Local Office Telecommunications Hardware/Software/Services Fixed Monthly Rate Prices for Additional and Expanded Local Office Sites During the Initial Term) of Exhibit G (Schedule of Payments).

*** These Telecommunications charges will be invoiced by Contractor and paid by County as a direct pass-through pursuant to Subparagraph 6.2.2.6 of the Base Agreement.

Maximum Total Price for Modification Notice Number Seven

\$239,634.99